

FIRST REGULAR SESSION

HOUSE BILL NO. 411

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HEGEMAN.

Read 1st time January 17, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

1226L.011

AN ACT

To amend chapter 340, RSMo, by adding thereto eight new sections relating to the large animal veterinary medicine loan repayment program.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 340, RSMo, is amended by adding thereto eight new sections, to be
2 known as sections 340.335, 340.337, 340.339, 340.341, 340.343, 340.345, 340.347 and 340.350,
3 to read as follows:

**340.335. 1. Sections 340.335 to 340.350 establish a loan repayment program for
2 graduates of approved veterinary medical schools who practice in areas of defined need
3 and shall be known as the "Large Animal Veterinary Medicine Loan Repayment
4 Program".**

**5 2. The "Large Animal Veterinary Medicine Loan Repayment Program Fund" is
6 hereby created in the state treasury. All funds recovered from an individual pursuant to
7 section 340.347 and all funds generated by loan repayments and penalties received
8 pursuant to section 340.347 shall be credited to the fund. The moneys in the fund shall be
9 used by the Missouri veterinary medical board to provide loan repayments pursuant to
10 section 340.343 in accordance with sections 340.335 to 340.350.**

340.337. As used in sections 340.335 to 340.350, the following terms shall mean:

**2 (1) "Areas of defined need", areas designated by the board pursuant to section
3 340.339, when services of a large animal veterinarian are needed to improve the
4 client-doctor ratio in the area, or to contribute professional veterinary services to an area
5 of economic impact;**

6 (2) "Board", the Missouri veterinary medical board;

7 (3) "Large animal veterinarian", veterinarians licensed and registered pursuant

8 to this chapter, engaged in general or large animal practice as their primary specialties,
9 and who have at least fifty percent of their practice devoted to large animal veterinary
10 medicine.

340.339. The board shall designate counties, communities or sections of rural areas
2 as areas of defined need as determined by the board by rule.

340.341. 1. The board shall adopt and promulgate rules establishing standards for
2 determining eligible persons for loan repayment pursuant to sections 340.335 to 340.350.
3 Such standards shall include, but are not limited to the following:

4 (1) Citizenship or permanent residency in the United States;

5 (2) Residence in the state of Missouri;

6 (3) Enrollment as a full-time veterinary medical student in the final year of a course
7 of study offered by an approved educational institution in Missouri;

8 (4) Application for loan repayment.

9 2. The board shall not grant repayment for more than five veterinarians each year.

340.343. 1. The board shall enter into a contract with each individual qualifying
2 for repayment of educational loans. The written contract between the board and an
3 individual shall contain, but not be limited to, the following:

4 (1) An agreement that the state agrees to pay on behalf of the individual, loans in
5 accordance with section 340.345 and the individual agrees to serve for a time period equal
6 to five years, or such longer period as the individual may agree to, in an area of defined
7 need, such service period to begin within one year of the signed contract or graduation by
8 the individual with a degree of doctor of veterinary medicine, whichever is later;

9 (2) A provision that any financial obligations arising out of a contract entered into
10 and any obligation of the individual which is conditioned thereon is contingent upon funds
11 being appropriated for loan repayments;

12 (3) The area of defined need where the person will practice;

13 (4) A statement of the damages to which the state is entitled for the individual's
14 breach of the contract;

15 (5) Such other statements of the rights and liabilities of the board and of the
16 individual not inconsistent with sections 340.335 to 340.350.

17 2. The board may stipulate specific practice sites contingent upon board generated
18 large animal veterinarian need priorities where applicants shall agree to practice for the
19 duration of their participation in the program.

340.345. 1. A loan payment provided for an individual pursuant to a written
2 contract under the large animal veterinary medicine loan repayment program shall consist
3 of payment on behalf of the individual of the principal, interest and related expenses on

4 government and commercial loans received by the individual for tuition, fees, books,
5 laboratory and living expenses incurred by the individual.

6 2. For each year of obligated services that an individual contracts to serve in an
7 area of defined need, the board may pay up to ten thousand dollars on behalf of the
8 individual for loans described in subsection 1 of this section.

9 3. The board may enter into an agreement with the holder of the loans for which
10 repayments are made under the large animal veterinary medicine loan repayment program
11 to establish a schedule for the making of such payments if the establishment of such a
12 schedule would result in reducing the costs to the state.

13 4. Any qualifying communities providing a portion of a loan repayment shall be
14 considered first for placement.

 340.347. 1. An individual who has entered into a written contract with the board
2 or an individual who is enrolled in a course of study and fails to maintain an acceptable
3 level of academic standing in the educational institution in which such individual is
4 enrolled or voluntarily terminates such enrollment or is dismissed from such educational
5 institution before completion of such course of study or fails to become licensed pursuant
6 to this chapter within one year after graduation shall be liable to the state for the amount
7 which has been paid on such individual's behalf pursuant to the contract.

8 2. If an individual breaches the written contract of the individual by failing either
9 to begin such individual's service obligation or to complete such service obligation, the state
10 shall be entitled to recover from the individual an amount equal to the sum of:

11 (1) The total of the amounts paid by the state on behalf of the individual, including
12 interest; and

13 (2) An amount equal to the unserved obligation penalty, which is the total number
14 of months of obligated service which were not completed by an individual, multiplied by
15 five hundred dollars.

16 3. The board may act on behalf of a qualified community to recover from an
17 individual described in subsections 1 and 2 of this section the portion of a loan repayment
18 paid by such community for such individual.

 340.350. No rule or portion of a rule promulgated pursuant to the authority of
2 sections 340.335 to 340.350 shall become effective unless it has been promulgated pursuant
3 to the provisions of chapter 536, RSMo.